

IIADA PRESENTATION 10/11/05

MOTOR VEHICLE DEALERS STUDY COMMITTEE  
2005 LEGISLATIVE COUNCIL

The Iowa Independent Automobile Dealers Association has a membership of nearly 300 dealers. Our association was formed in the early 1990's and I am pleased to currently serve as its president. I am Doug Livy – I have been a used car dealer since 1989 and currently own a dealership in Ames and another in Iowa Falls. Prior to starting my own dealership I worked with a new car dealership for 18 years. We appreciate the opportunity to be with you today.

Our association has taken a more active role in the legislative process during the last several years and part of our responsibility is to protect our membership from adverse legislation .

In 2004 we saw the beginning stages of what is called “the area of responsibility legislation” - legislation dealing with the geographical moves of new car dealers in Iowa. During 2005 we witnessed bill after bill being introduced and assigned to varying committees of the legislature. Senate Study Bill 1236 and SSB 1237 as well as H. F. 575 and House Study Bill 224. Again this legislation only dealt with new car dealers. Then in the waning hours of the 2005 legislative session another attempt was made by an amendment to H.F. 882 which called for the legislative council to appoint an interim study committee to study the motor vehicle licensing law as it pertains to motor vehicle dealerships moves from one facility and location to another facility and location in the state of Iowa. The amendment's language appeared to be all inclusive - it did not differentiate between new dealers and used dealers. Of course, this amendment was successful and that is why we are here today. We, as an association, have monitored this legislation for nearly two years and we have deep concerns about this type of legislation coming forth in Iowa as it appears to only be geared toward eliminating competition.

All of the proposals brought forth are proposing to change Chapter 322, Code of Iowa – which is the motor vehicle dealer licensing section of the Code. As you are aware Chapter 322 A – deals with Iowa's Franchise Law.

We have an enormous concern over legislation that could have a negative economic impact upon used or new car dealers in Iowa.

I would like to ask Judy Wilson, my fellow board member and IIADA Legislative Chairperson to continue the comments for IIADA.

Douglas K. Livy, Jr., President, IIADA